

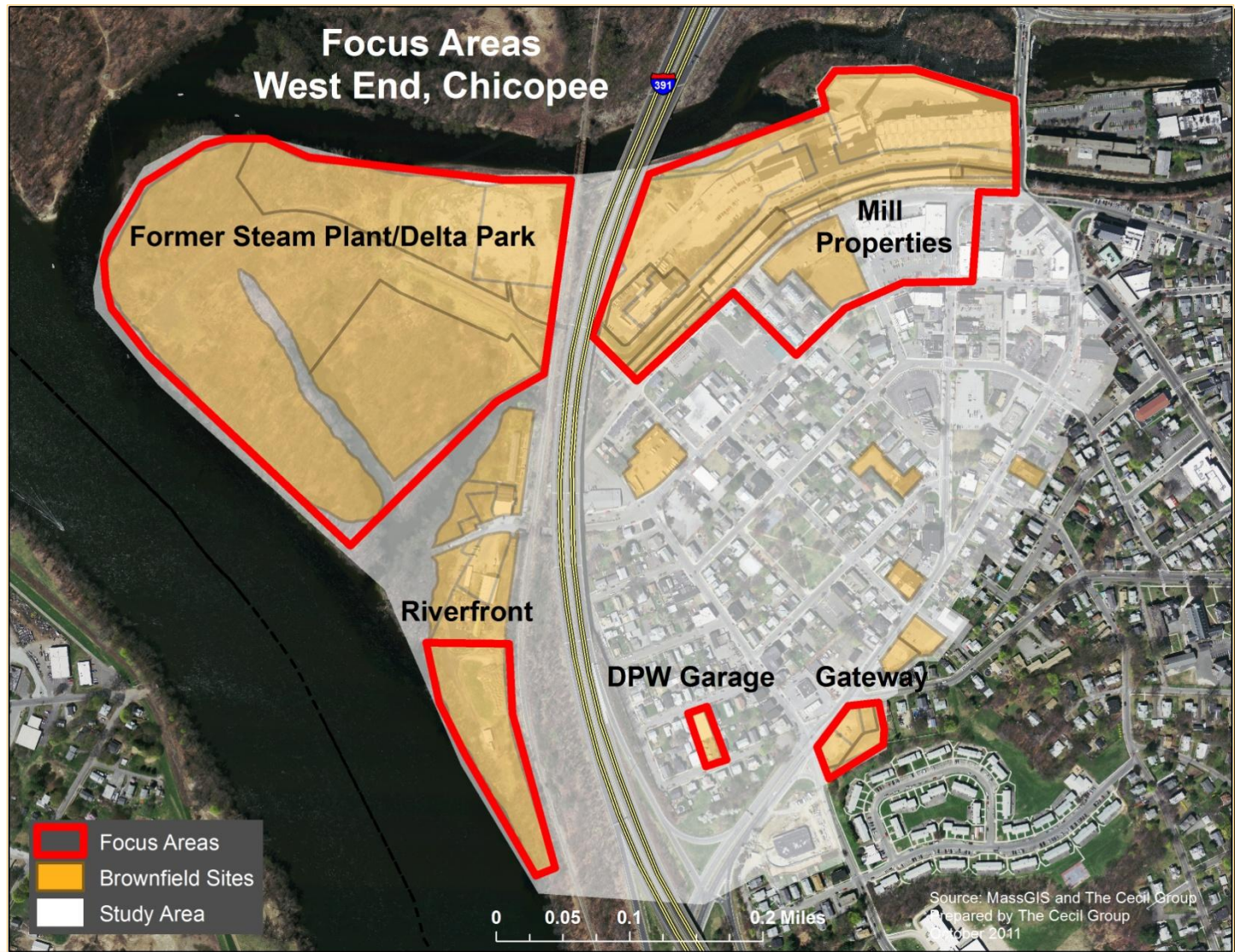


BROWNFIELDS AREA-WIDE PLANNING PROJECT: CHICOPEE WEST END

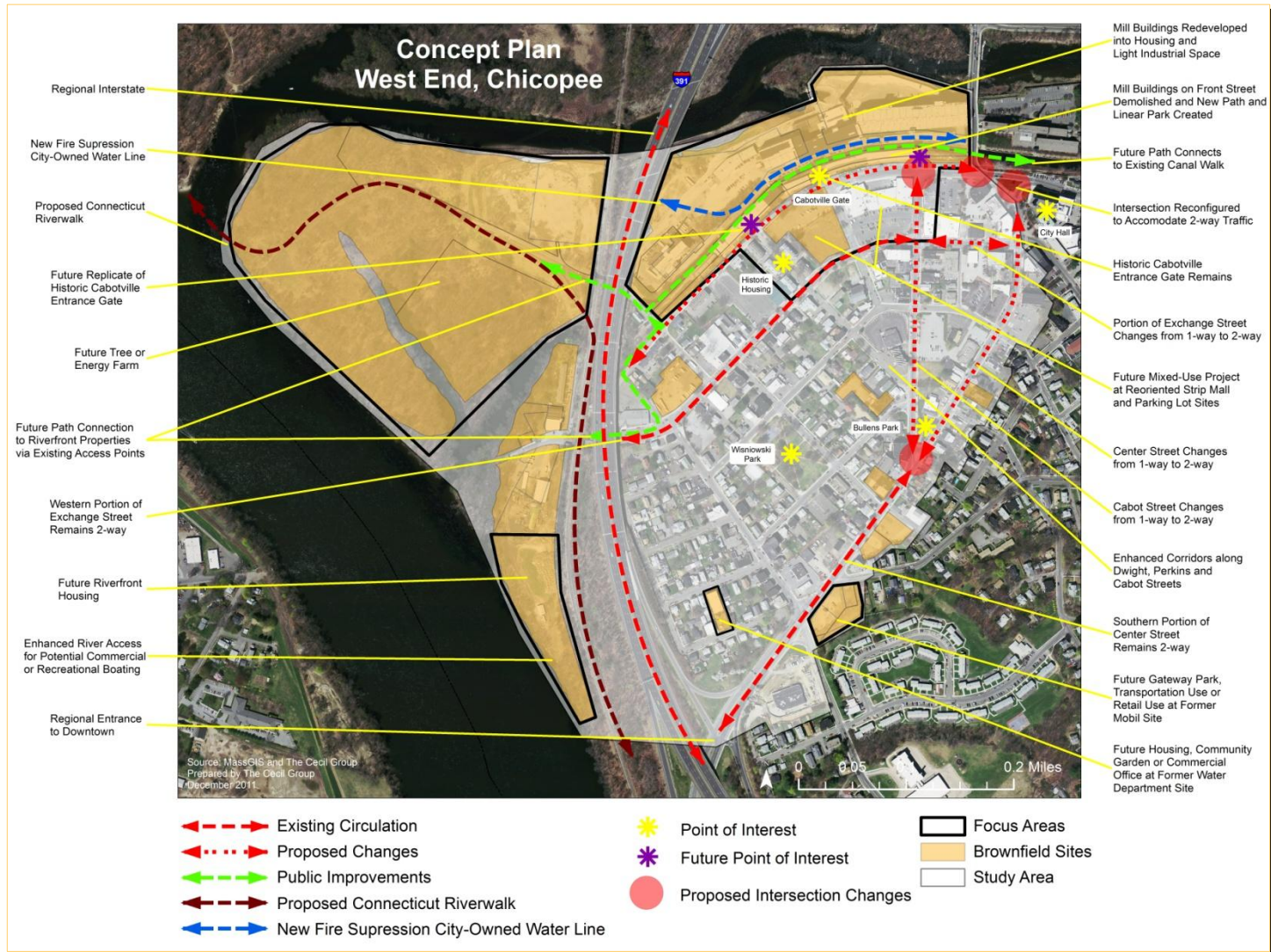
Project Team:
The Cecil Group, Inc.
FXM Associates
Tighe & Bond
John Williamson
Language Link Consortium

March 27, 2012

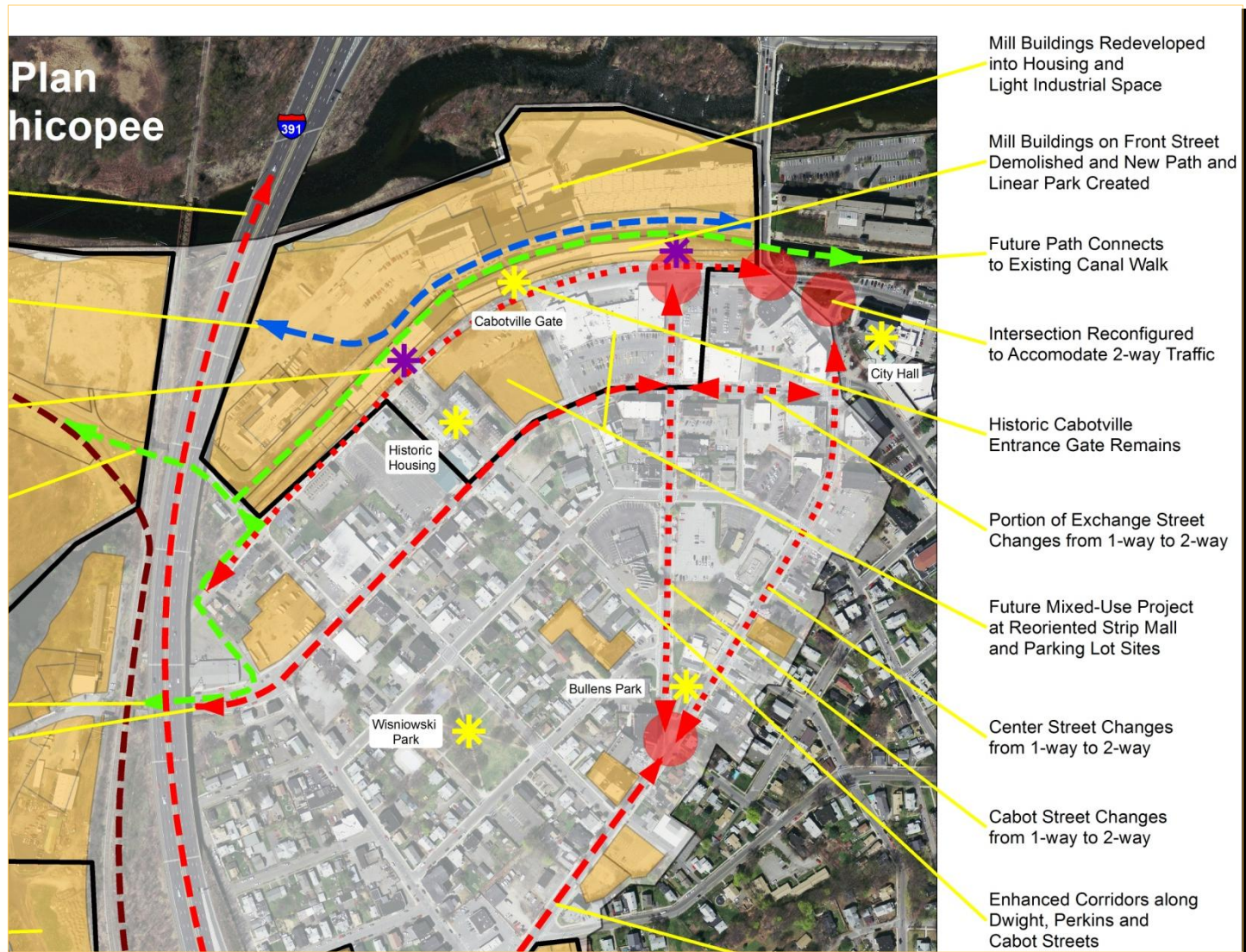
Focus Areas



Concept Plan



Mill Properties



Mill Properties

■ Brownfield Sites

- Cabotville Mill Complex
- Former Lyman Company
- City Frontage
- 101 Front Street

■ Reuse Scenarios

- Flexible industrial space
- Support growth of existing mill businesses
- Housing for <35 and 55+
- Canal path and park
- Mixed use south of Front Street

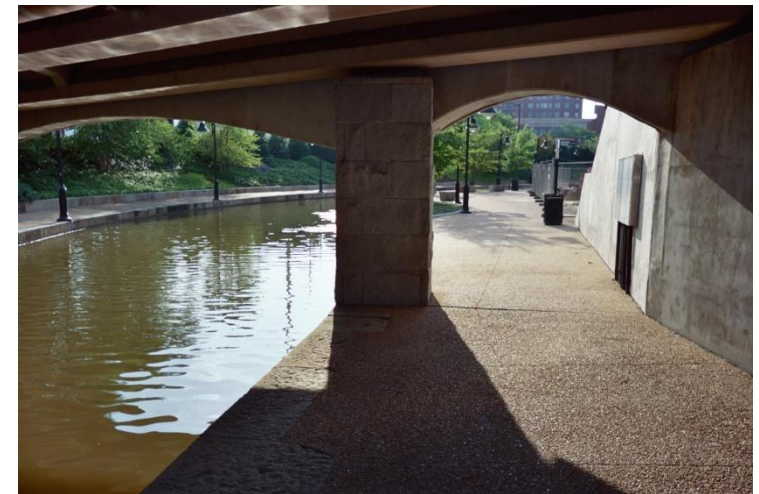


Mill Properties

- Demolish Buildings along Front Street



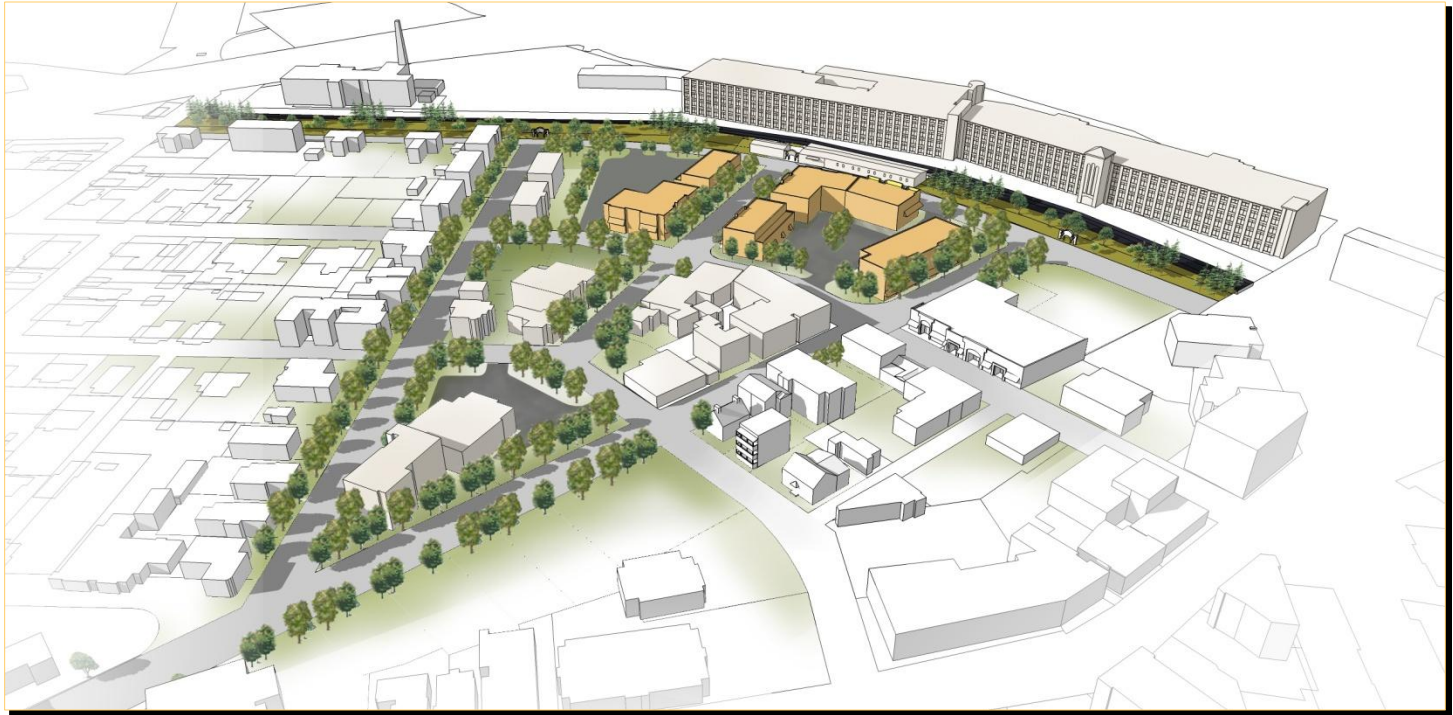
Comparables



Mill Properties



Mill Properties



Former Steam Plant/ Delta Park

■ Brownfield Sites

- City Property (Former Hampden Steam Plant)
- Delta Park

■ Reuse Scenarios

- Tree farming or other agricultural use
- Energy farming (Solar or geothermal)



Gateway



Gateway

■ Brownfield Site

- Former Mobil Service Station
- Significant Reuse Limitations

■ Reuse Scenarios

- Gateway park
- Retail/Commercial Use
- Transportation use
(ex. EV charging station)





Other Brownfield Sites

■ 6 Other Brownfield Sites

- Center Street Parking Lot
- Collegian Court
- Former Freemason's Lodge
- Former Mathis Oldsmobile
- Former Racing Oil
- Former VOC Building

■ Reuse Options

- Professional office space
- Sole proprietors
- Retail/service uses



Implementation

■ Goals

- Support renovations in the Cabotville Mill complex
- Fill remaining spaces in mill complex with industrial/business uses
- Further assess Brownfield properties
- Establish cooperative marketing program
- Beautify publically-owned Brownfields and streets
- Re-establish City clean-up programs

■ First Steps

■ Key Mid-Term Projects



Implementation

■ First Steps

- Advance Cabotville Phase 1 Reuse Project
- Improve Water Service to the Mill Complex
- Phase 1 Canalway
- New Brownfield Assessments
- Marketing Partnerships
- Promote the Gateway Redevelopment
- Temporary Brownfield Improvements and Cleanup



Implementation

■ Key Mid-Term Projects

- Continue Design and Implementation of Canalway Project
- Former Steam Plant and Delta Park (determine use and complete study for railroad underpass)
- Improve the DPW Garage
- Enhance Riverfront Access
- Business Improvement District
- Building and Sanitary Code Review
- Land Use Planning



Summary Market Findings and Recommendations

Prepared by **FXM** Associates



Approach and Methods

- Conducted telephone interviews with stakeholders, economic development and real estate professionals, and other knowledgeable individuals
- Prepared Baseline Conditions Technical memorandum using publicly available and proprietary data sources and prior studies
- Assessed real estate market conditions and trends using publicly available and proprietary data sources
- Assessed potential demand for rental housing using FXM's proprietary Housing Demand Model
- Obtained development cost estimates from other team members
- Discussed potential development opportunities and constraints with team members, and reviewed public and client input to date

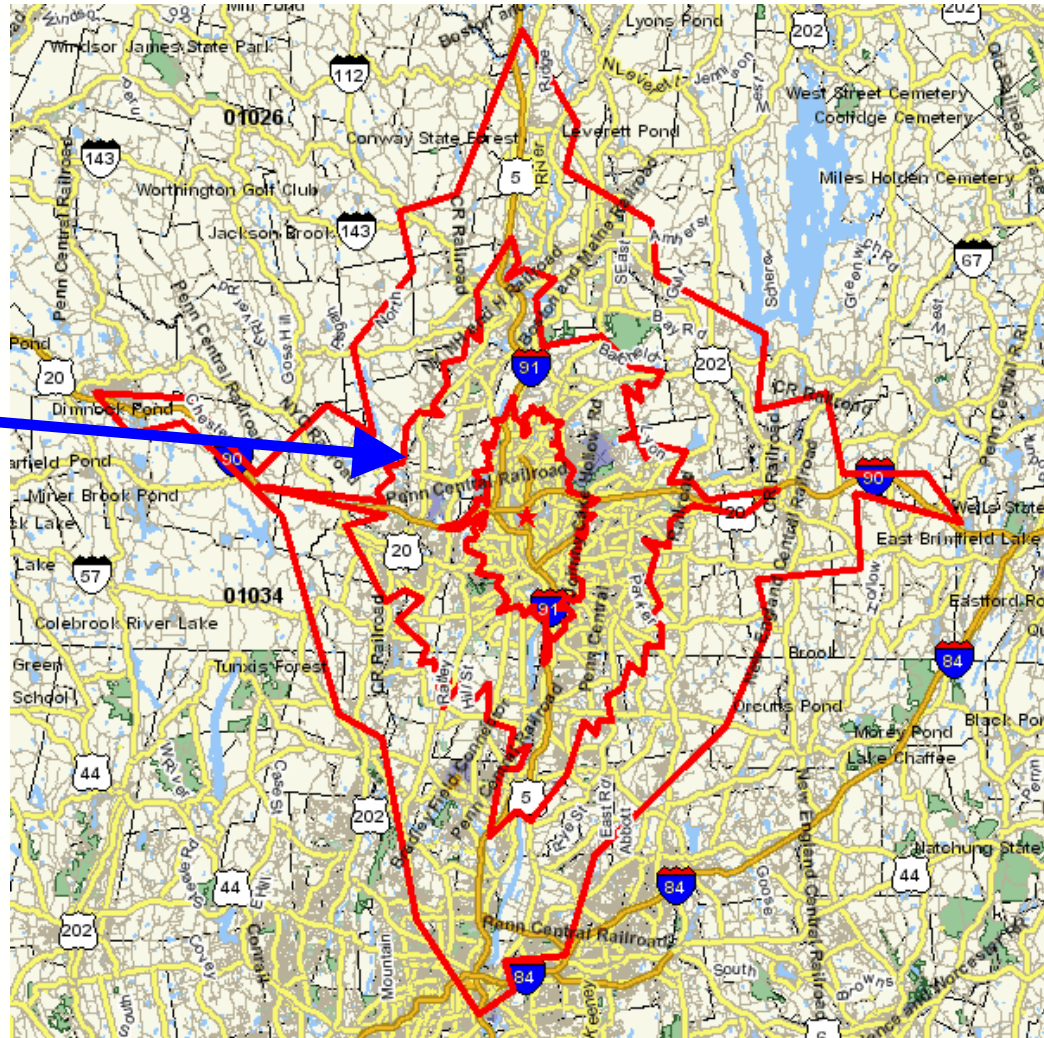


Potential Housing Demand

- FXM's Housing Demand Model uses Census and proprietary data to estimate housing demand over the next 5 years for a targeted geographic area by:
 - Age and income of households
 - Propensity to own or rent
 - Mobility by age of household
- Target market area is a 20-minute drive time of Chicopee Downtown/West End
- Target rent levels are \$900, \$1100, \$1300 per month – within current market range and needed to support rehab costs
- Target households are those under age 35 and over age 55 – most likely to find urban rental housing attractive *and* represent highest growth segments over next 5 years

Drive Time Map 10-20-30 Minute Rings

20-minute Drive
Time Ring



Average Annual Demand for Rentals Chicopee Market Area 2011-2016 Householders under Age 35 and Ages 55 to 74

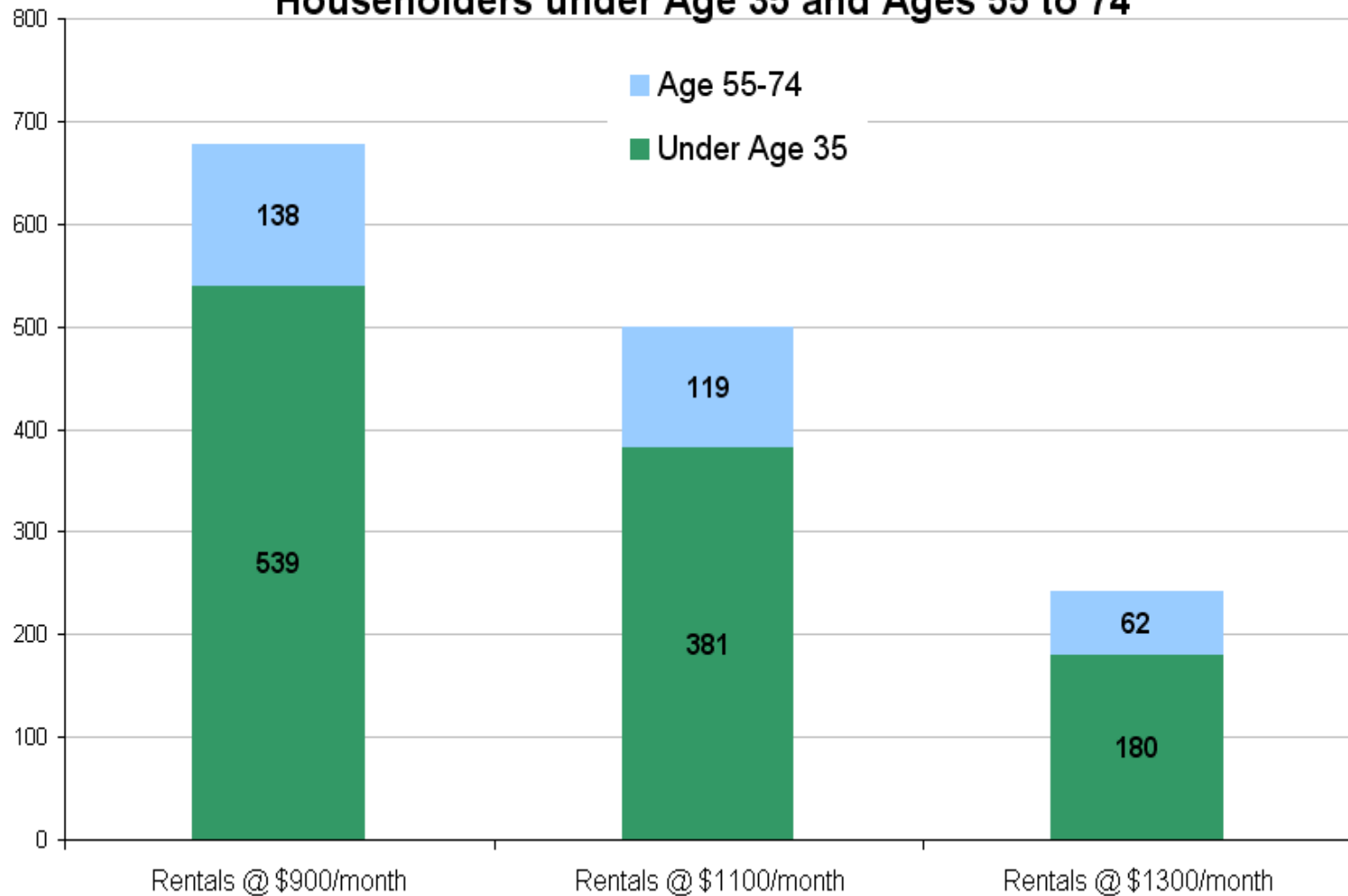
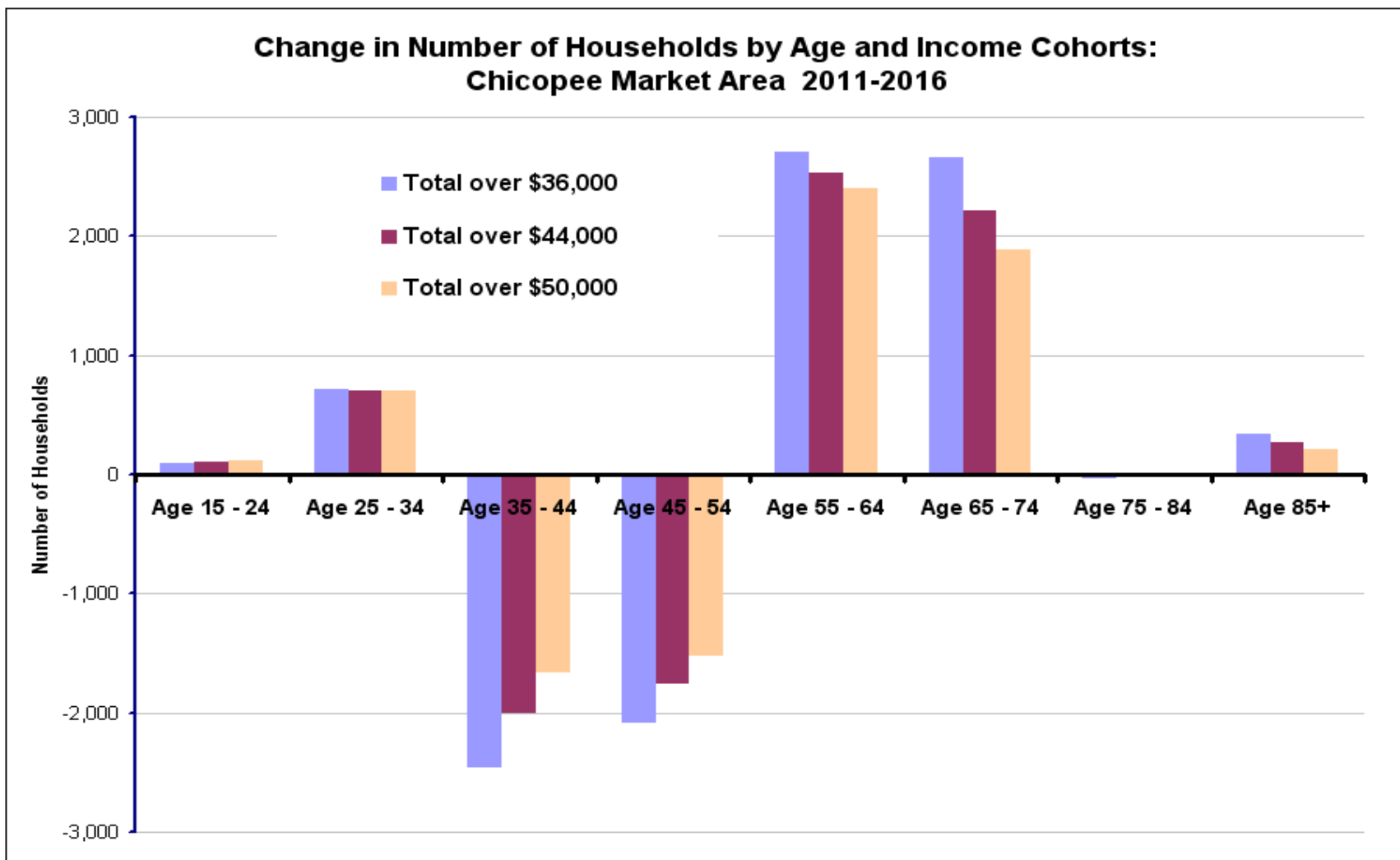


Chart shows projected change in target and other market segments by age and income





Potential Rental Housing Demand: Implications for West End Study Area

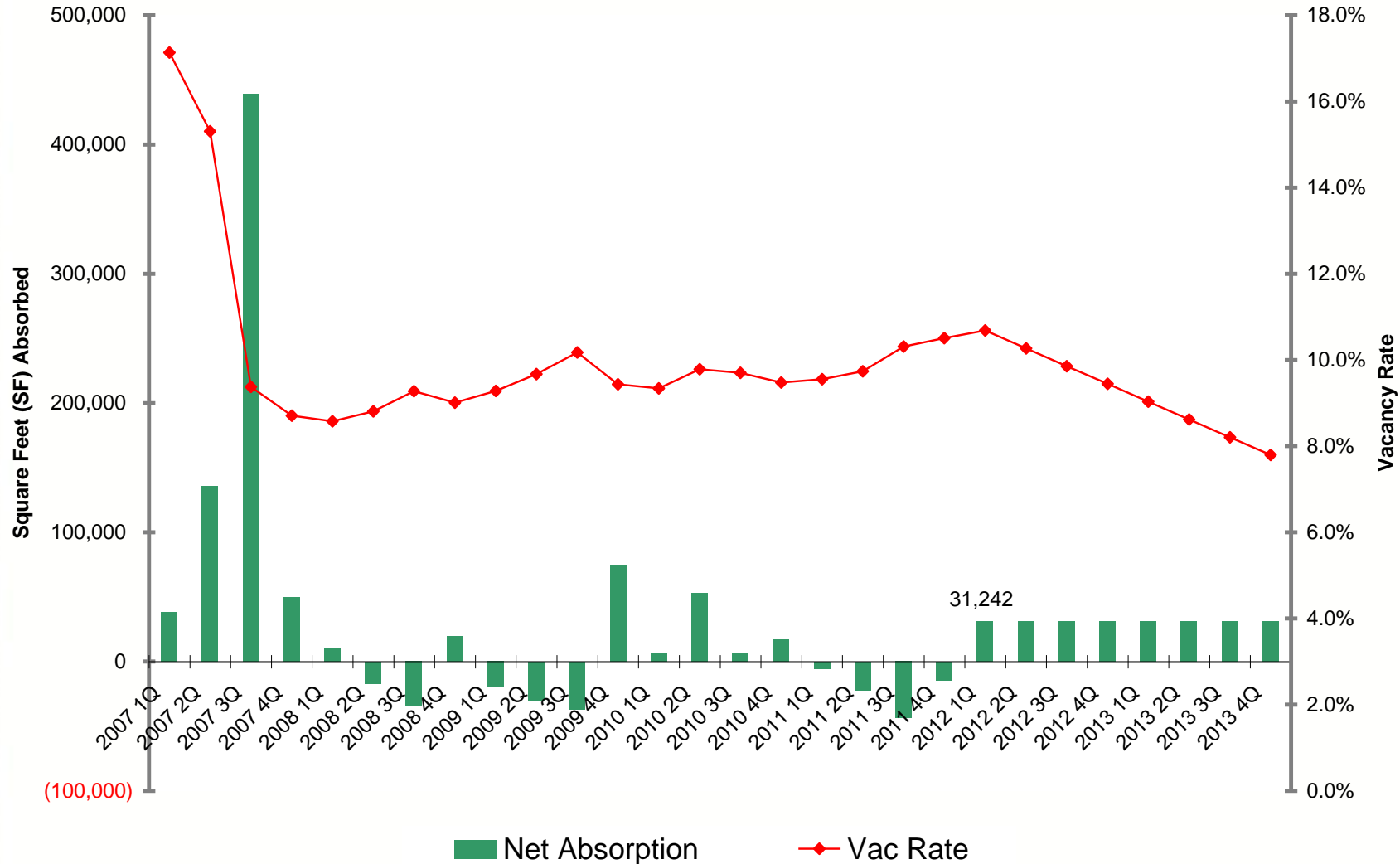
- Assuming that Chicopee could capture 30% of projected market area demand, and discounting planned and proposed projects, ***average annual demand*** over the next 5 years for rentals within the project area could be:
 - 100 units at \$900/month, or
 - 75 units at \$1100/month, or
 - 35 units at \$1300/month
- Building fit-out costs (excluding parking, landscaping, access and other outside building infrastructure) could not exceed \$120/SF at above rent levels
- Units need to be designed to effectively compete with other new and rehab projects, including unit and site amenities



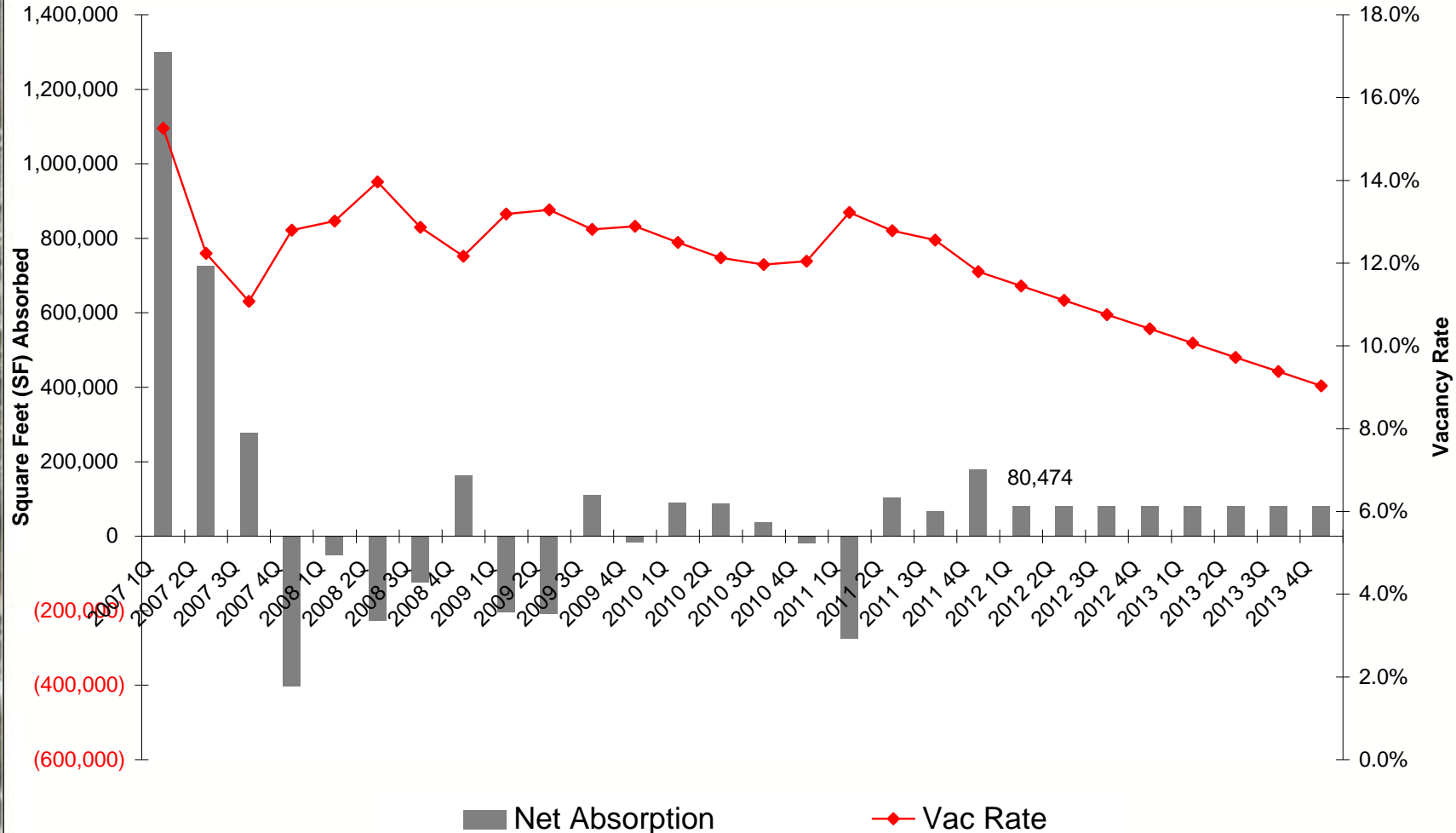
Potential Demand for Commercial Space

- *Co Star Property Information Systems* was used to estimate current lease prices, total inventory, vacancies, vacancy rates and projected net absorption over the next 3-5 years for office, industrial/warehouse and retail space
- Based on discussions with local real estate and economic development professionals, Chicopee-Holyoke-Springfield comprise the competitive market area
- Subsequent graphs show historical and projected net absorption and vacancy rates by type of space in the market area

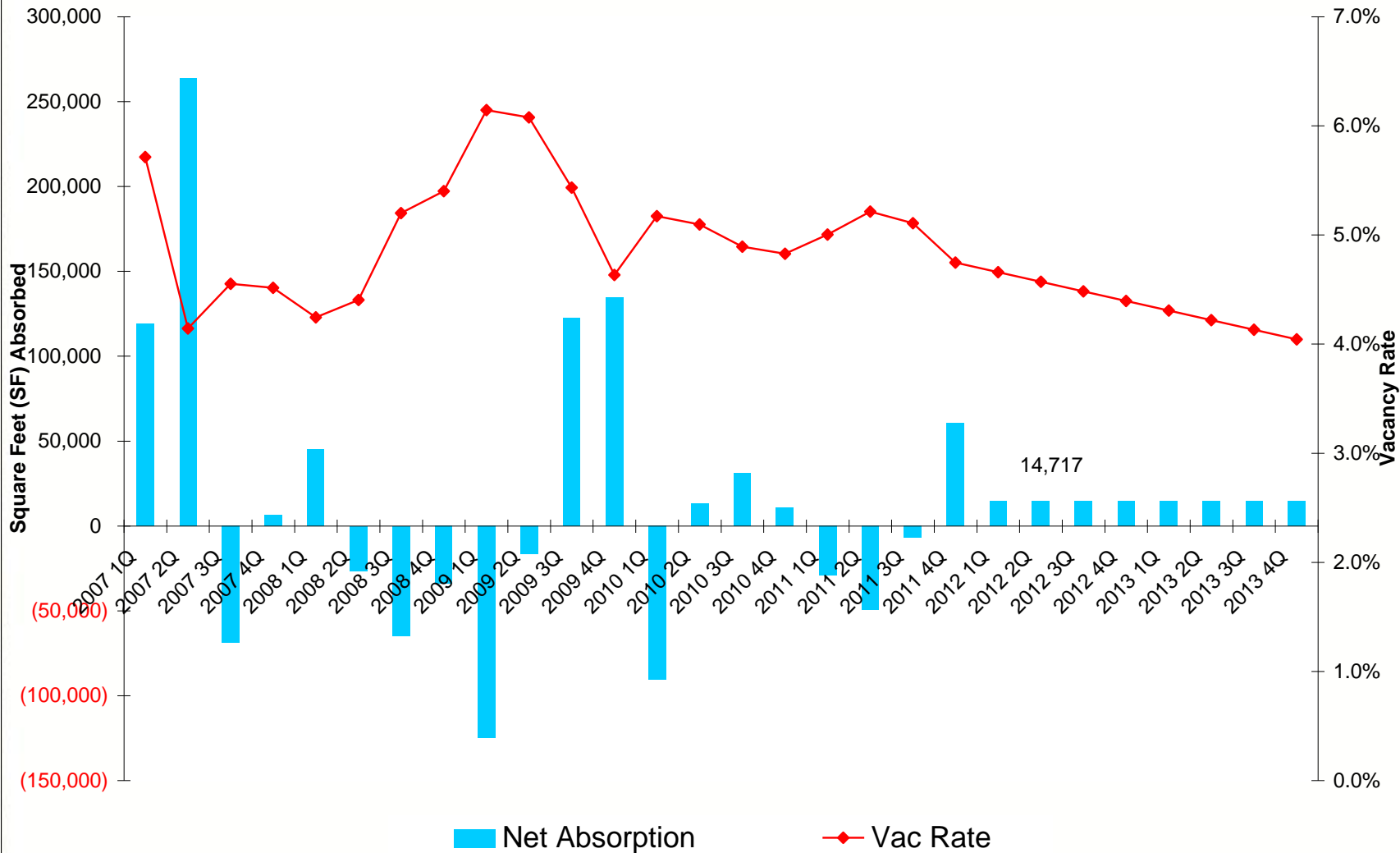
Office Space: Historical & Forecast Net Absorption and Vacancy Rate:Chicopee-Holyoke-Springfield



Industrial Space: Historical & Forecast Net Absorption and Vacancy Rate: Chicopee-Holyoke-Springfield



Retail Space: Historical & Forecast Net Absorption and Vacancy Rate: Chicopee-Holyoke-Springfield



Downtown Chicopee

Retail Opportunity/Gap in 2011

| Selected Store Types-NAICS code | Consumer Expenditures | Retail Sales | Opportunity Gap |
|---|-----------------------|-----------------------|----------------------|
| Computer and Software Stores-44312 | \$ 10,286,818 | \$ 7,528,619 | \$2,758,199 |
| Hardware Stores-44413 | \$ 19,637,488 | \$ 10,878,468 | \$8,759,020 |
| Office Supplies and Stationery Stores-45321 | \$ 13,006,612 | \$ 6,366,676 | \$6,639,936 |
| Gift, Novelty and Souvenir Stores-45322 | \$ 10,575,696 | \$ 5,158,703 | \$5,416,993 |
| Other Miscellaneous Store Retailers-4539 | \$ 30,855,602 | \$ 20,200,151 | \$10,655,451 |
| Limited-Service Eating Places-7222 | \$ 107,751,722 | \$ 105,414,103 | \$2,337,619 |
| Special Foodservices-7223 | \$ 21,079,291 | \$ 14,441,266 | \$6,638,025 |
| TOTALS for Selected Opportunities | \$ 213,193,229 | \$ 169,987,986 | \$ 43,205,243 |

Downtown Chicopee

Retail Opportunity/Gap in 2011

| Selected Store Types-NAICS code | Opportunity Gap | SF GAP | Median Store Size(SF) | Number of Stores | Potential Capture (SF) | Potential Capture (# of Stores) |
|---|---------------------|----------------|-----------------------|------------------|------------------------|---------------------------------|
| Computer and Software Stores-44312 | \$2,758,199 | 8,897 | 2,900 | 3 | 2,900 | 1 |
| Hardware Stores-44413 | \$8,759,020 | 51,524 | 13,200 | 4 | 13,200 | 1 |
| Office Supplies and Stationery Stores-45321 | \$6,639,936 | 27,102 | 10,500 | 3 | 10,500 | 1 |
| Gift, Novelty and Souvenir Stores-45322 | \$5,416,993 | 37,359 | 4,000 | 9 | 4,000 | 1 |
| Other Miscellaneous Store Retailers-4539 | \$10,655,451 | 42,622 | 2,300 | 19 | 11,500 | 5 |
| Limited-Service Eating Places-7222 | \$2,337,619 | 8,991 | 2,000 | 4 | 4,000 | 2 |
| Special Foodservices-7223 | \$6,638,025 | 26,552 | 1,500 | 18 | 6,000 | 4 |
| TOTALS for Selected Opportunities | \$43,205,243 | 203,046 | | 60 | 52,100 | 15 |



Implications for Commercial Space in Chicopee and the Project Area

- **Office Space** – Projected net absorption (new, rehab, currently vacant space) for the Chicopee-Holyoke-Springfield region is 125,000 SF per year or 625,000 SF over the next 5-years. Rents average about \$15 per SF per year, and \$12 per SF per year for rehab space.
 - **Chicopee currently holds about 5% of the regional office space inventory**
 - **At the current capture rate, net absorption of about 31,000 SF would be expected in Chicopee over the next 5 years**
 - **Average rents would support about \$70-80 per SF in total rehab costs**

Substantial measures will need to be undertaken to increase the visibility of Downtown/West End within the regional market and to develop competitive product and price offerings for conventional and/or niche office space users



Implications for Commercial Space in Chicopee and the Project Area

- **Industrial/warehouse Space** -- Projected net absorption (new, rehab, currently vacant space) for the Chicopee-Holyoke-Springfield region is 322,000 SF per year or 1,600,000 SF over the next 5-years. Rents average about \$4 per SF per year.
 - Chicopee currently holds about 26% of the regional industrial space inventory
 - At the current capture rate, net absorption of about 435,000 SF would be expected in Chicopee over the next 5 years
 - Average rents would support about \$20-25 per SF in total rehab costs

Consideration must be given to the potential for low cost, flexible space in mill buildings as a potential for increasing occupancy in the West End. End users are difficult to define and comprise a variety of specialized creative economy, advanced manufacturing, distributive and other businesses. COST and FLEXIBILITY are the key criteria for success, as is the need for a coordinated public-private outreach to attract prospective users.



Implications for Commercial Space in Chicopee and the Project Area

- **Retail Space** -- Projected net absorption (new, rehab, currently vacant space) for the Chicopee-Holyoke-Springfield region is about 59,000 SF per year or 294,000 SF over the next 5 years. Rents average about \$11.50 per SF per year.
 - Chicopee currently holds about 18% of the regional retail space inventory
 - At the current capture rate, net absorption of about 53,000 SF would be expected in Chicopee over the next 5 years
 - Average rents would support about \$50 per SF in total rehab costs

The Retail Opportunity/Gap analysis suggests some immediate opportunities to capture additional retail stores downtown. Based on FXM's experience in other older downtowns, a strategy to reach out to successful retail and restaurant businesses in the region and match them with available quality, reasonable cost space in the Downtown can work to attract new stores and restaurants.



Strategic Initiatives Based on Market Findings

- Create a distinctive image of the West End as a emerging 'hip, cool, affordable, safe place' for young professionals and students to live and socialize
- Adopt an assertive, advocacy role in a public-private partnership with the Cabotville Mill owner to secure funding for infrastructure needed to accommodate residential uses
- Implement a marketing campaign targeting businesses and entrepreneurs with tech-based operations that can benefit from Chicopee's state-of-the-art fiber optic service
- Locate a business incubator in mill building space to support start-up businesses and entrepreneurs engaged in Clean Tech, Renewable Energy and Creative Economy sectors



Strategic Initiatives Based on Market Findings

- Provide basic needs of potential niche market commercial users of mill buildings for inexpensive (\$4-\$6 per SF), weather-tight, flexible space
- Rehabilitate the mill property to meet code requirements, but do not over-improve with interior finishes/features for either commercial or residential tenants
- Use the profile of current mill building tenants in Chicopee and nearby communities to actively recruit similar and complimentary tenants using online and social media
- Explore opportunities for Baystate Medical Center to expand its facilities and affiliated support services on suitable parcels in the West End neighborhood



Strategic Initiatives Based on Market Findings

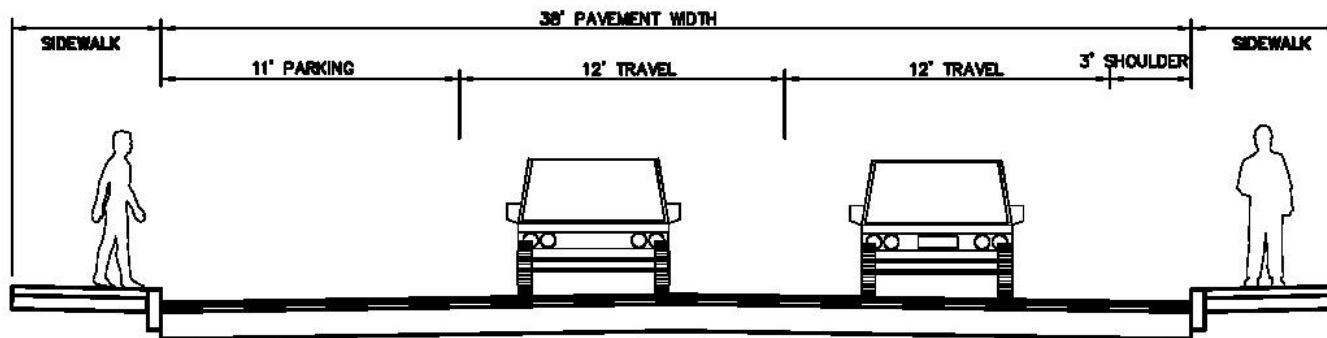
- Establish a partnership with Elms College to connect commuting graduate students, faculty and staff with housing options/opportunities in the West End neighborhood
- Identify successful retailers and restaurant owners in Holyoke, Northampton and Amherst who might be interested in opening another location in Downtown Chicopee
- Provide technical assistance and access to financing incentives to address deteriorated building conditions, and issue administrative sanctions to non-compliant owners
- Accelerate public realm improvements of vacant/under-utilized riverfront property south of Exchange Street for recreational activities and associated commercial uses

An aerial photograph of the Chicopee West End area. The image shows a mix of residential and commercial buildings, parking lots, and streets. A major highway, Interstate 391, runs vertically through the center-left of the image. To the left of the highway is a large, undeveloped area with bare trees and a body of water. To the right of the highway is a dense urban area with various buildings and streets. The text "BROWNFIELDS AREA-WIDE PLANNING PROJECT: CHICOPEE WEST END" is overlaid in large, bold, black letters across the middle of the image. Below the title, on the left, is the project team information, and on the right is the date "March 27, 2012".

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March 27, 2012



**CENTER STREET
PROPOSED 2-WAY TRAFFIC PATTERN**



EXISTING CONDITION

LOCATION 1
CENTER STREET NEAR INTERSECTION OF
NONOTUCK AVENUE

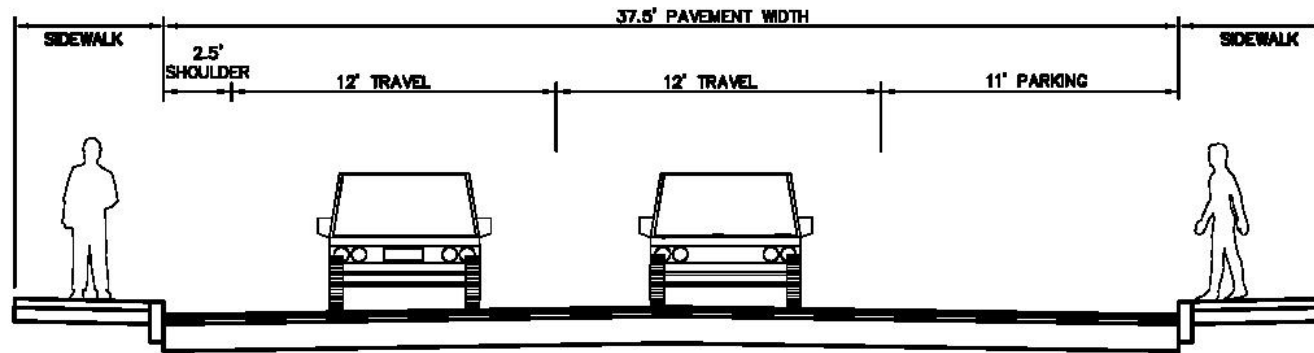
CHICOPEE CENTER TRAFFIC PATTERNS
PROPOSED 2-WAY TRAFFIC PATTERN
CHICOPEE, MASSACHUSETTS

Tighe & Bond Consulting Engineers
www.tighebond.com

SCALE: NONE

DATE: OCTOBER 2011





**CENTER STREET
PROPOSED 2-WAY TRAFFIC PATTERN**



EXISTING CONDITION

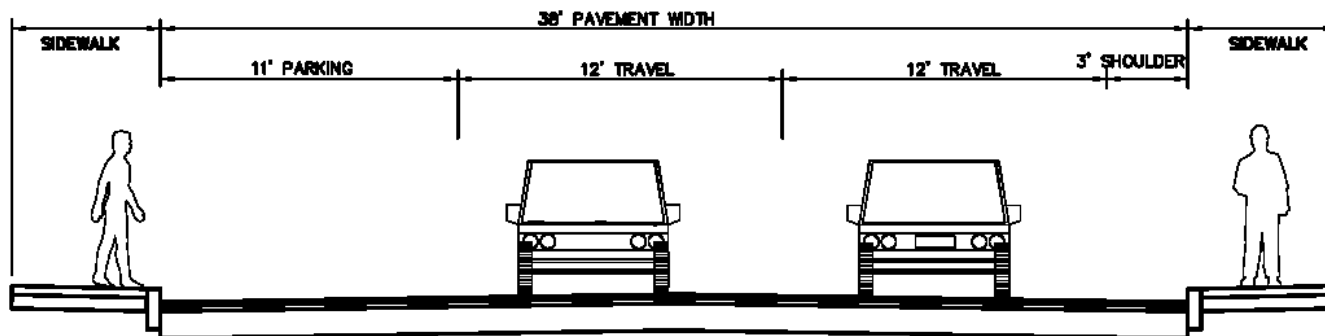


LOCATION 2
CENTER STREET BETWEEN SCHOOL
AND EXCHANGE STREETS

CHICOPEE CENTER TRAFFIC PATTERNS
PROPOSED 2-WAY TRAFFIC PATTERN
CHICOPEE, MASSACHUSETTS

Tighe & Bond Consulting Engineers
www.tighebond.com

SCALE: NONE DATE: OCTOBER 2011



**CABOT STREET
PROPOSED 2-WAY TRAFFIC PATTERN**



EXISTING CONDITION



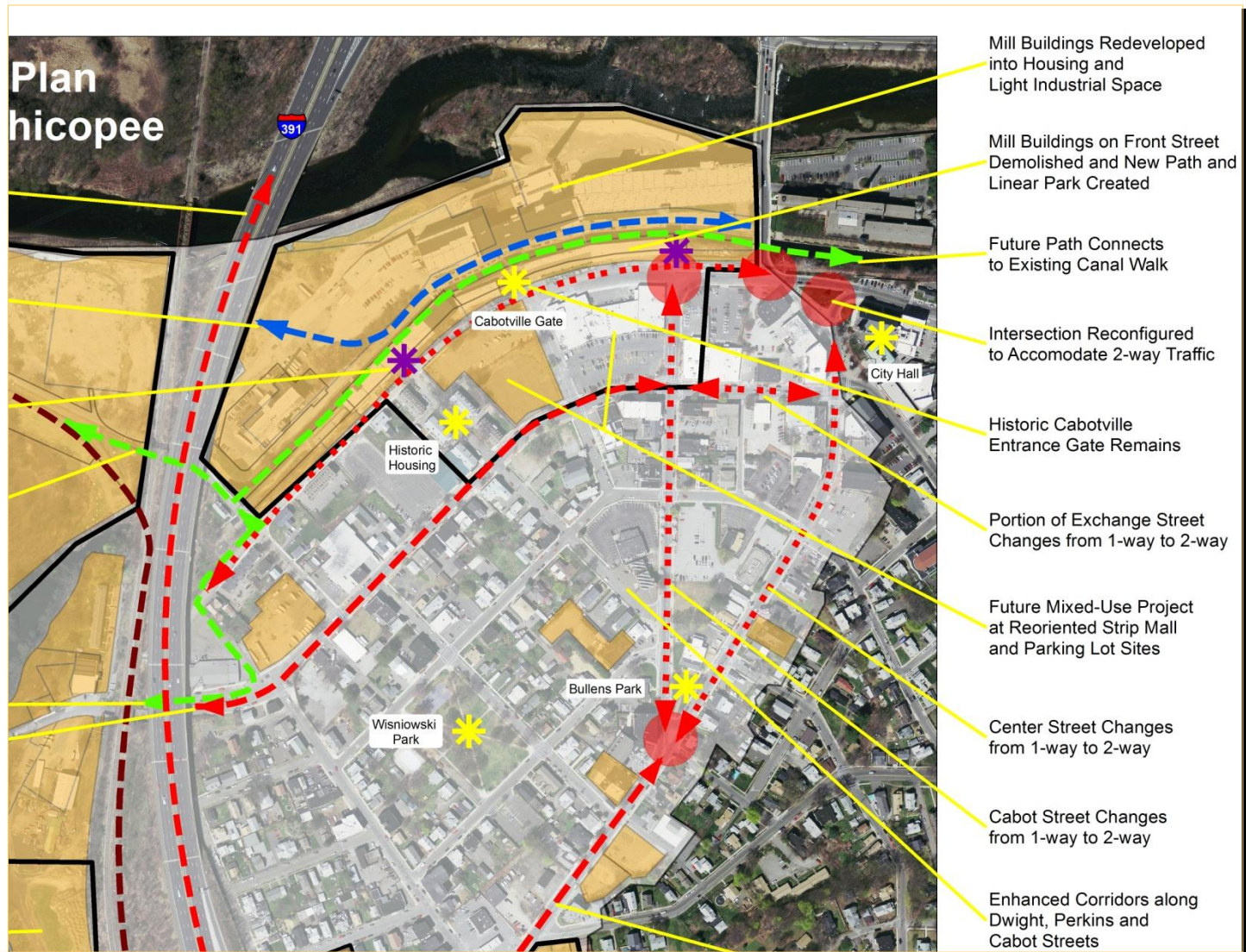
**LOCATION 5
CABOT STREET AT INTERSECTION OF
EXCHANGE STREET**

**CHICOPEE CENTER TRAFFIC PATTERNS
PROPOSED 2-WAY TRAFFIC PATTERN
CHICOPEE, MASSACHUSETTS**

Tighe&Bond Consulting Engineers
www.tighebond.com

SCALE: NONE DATE: OCTOBER 2011

Traffic Circulation





Traffic Circulation-Two Way

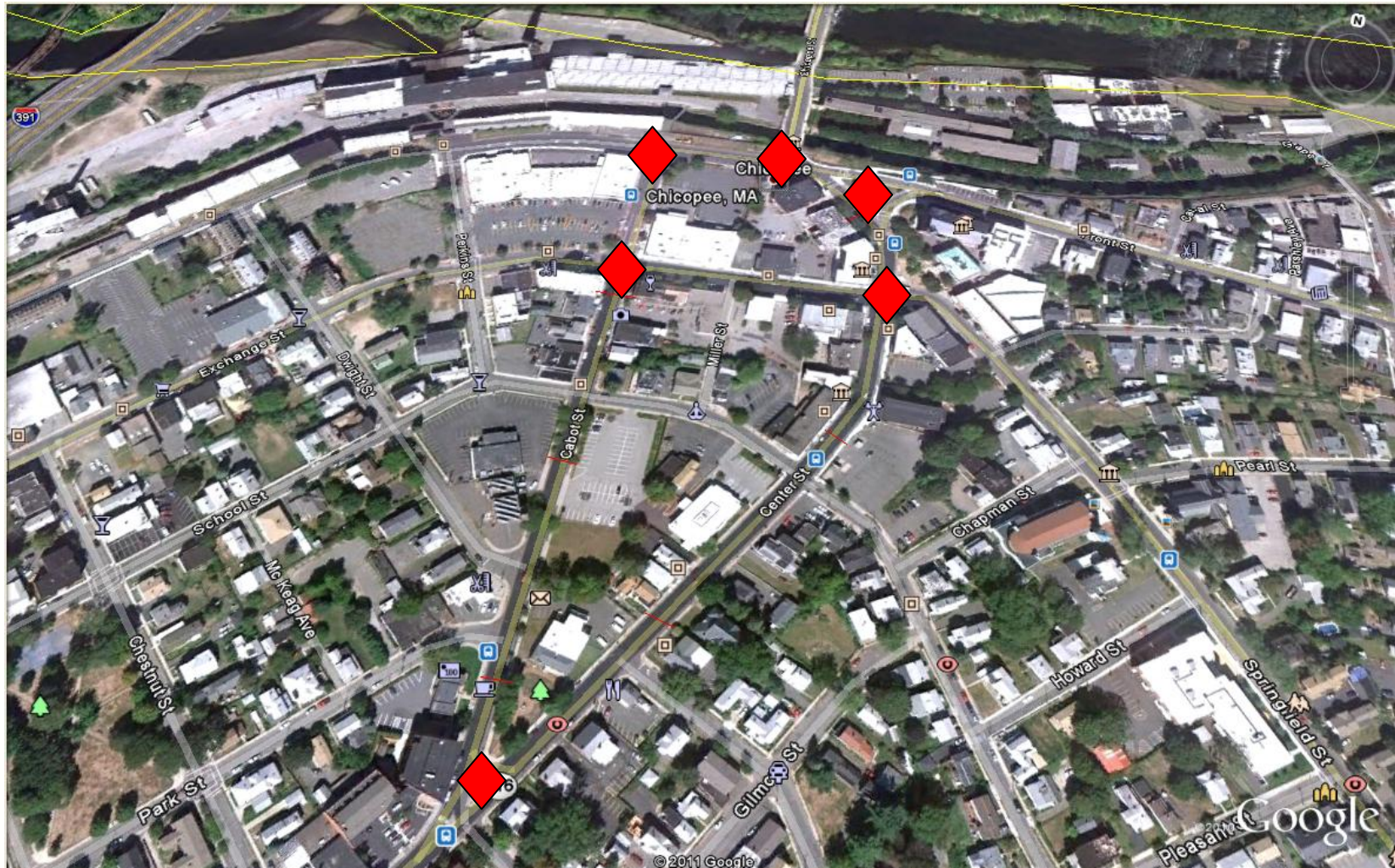
■ Benefits

- Greater business exposure
- Slower travel speeds
- Easier patron access

■ Concerns

- Delay associated with left turns
- Conformance to State/Federal design standards
- Loss of parking
- Significant construction costs at intersections

Key Intersection Impacts



Preliminary Parking Impacts





Traffic & Parking Recommendations

■ Traffic Study Assessment

- Center Street
- Cabot Street
- Exchange Street
- Front Street
- Intersections

■ Strategic Improvement Locations

- West Street/Exchange Street Utilization
- Exchange Street Two-Way
- Cabot Street Two-Way

■ Public Outreach